THE DEPUTY CHAIRMAN: Now the matter is closed. Let the Prime Minister reply to his speech on the Motion of Thanks ... (*Interruptions*)... The matter is now closed. Shri Gurudas Das Gupta, please speak... (*Interruptions*) ...

SHRI GURUDAS DAS GUPTA (West Bengal): Madam, let me speak ... (*Interruptions*) ...

THE DEPUTY CHAIRMAN: I am allowing you for the last 10 minutes. it is your colleague who are not allowing you to speak... (*Interruptions*) ...

Pledging of Gold in Bank of England

SHRI GURUDAS DAS GUPTA: Madam, I would like to raise a Special Mention on the clandestine transferring of gold that took place yesterday in a most surreptitious way from the Reserve Bank of India situated in Bombay. Yesterday, Madam, two cash vans carried a large consignment of gold from the mint of the Reserve Bank of India and it has been flown in a special aircraft to England to be deposited with the Bank of England, an act of pledge to get more loans towards the replenishment of our depleted foreign exchange reserves.

Madam, it is quite well known that India is passing through a serious foreign exchange crisis, a serious balance of payments crisis, and, in a situation like this, we do not mind and we do not subject to our leaning back on our foreign exchange reserves. India can rely on its foreign exchange reserves as a last resort to bring the country out of the crisis. We have no objection to that and that is a point to be taken into consideration by the Finance Ministry. But what we object to is the way in which it is being done. It is being done in the most clandestine way; it is being done behind the back of Parliament; and it is being done by keeping the whole country in total darkness. The Government must come out and tell us frankly as to what the position is with regard to our foreign exchange crisis. Without the Government explaining to us the position so far as the depleted foreign exchange is concerned, how will the nation take this act? To my mind, Madam, it is not act of bankruptcy and the whole world is coming to understand that India has become bankrupt and, because of this bankruptcy repeatedly either you are selling gold or you are pledging gold. It is not that this has been done once, but this is for the fourth time that you are doing and this is the fourth act of clandestine transfer of gold within a period of less than three months.

SHRI MENTAY PADMANABHAM (Andhra Pradesh): It is the third time, not the fourth.

SHRI YASHWANT SINHA (Bihar): Not the fourth time.

SHRI GURUDAS DAS GUPTA: Yours was the first. Mr. Yashwant Sinha's Government's was the first act and this is the fourth. Madam, the whole thing is shrouded in secrecy. To me, it appears, secrecy is the cover of illegitimacy. It is only an illegitimate act that is done in a secretive way. Otherwise, the nation should have been taken into confidence. The nation should be taken into confidence. If it is not taken into confidence, we will be led to believe that the Government is in panic, that the Government is in a state of nervousness and the Government lacks decisiveness. Since the Government is nervous, steps are taken like this one after another. If the Government is nervous, what is the impact on the international market? What is the impact on those countries from which we are seeking some sort of assistance? Therefore, I say that a situation of nervous psychology has been created. This is one aspect.

There is another aspect also and that is that there is a feeling, there is a suspicion, that the foreign exchange crisis is, in fact, overblown. This is another aspect, this is another suspicion and this is another trend of thinking in the economic circles, that

[Shri Gurudas Das Gupta]

the crisis is overblown. Why? It is overblown as a justification for the deliberate departure that is being made from the nationally accepted policy. India is giving up self-reliance; India is giving up planning; and India is giving up the philosophy that our forefathers had given to us. Therefore, this is an excuse and the overblowing of the crisis is being done deliberately. There is another reason also.

Some people believe that it is being deliberately overblown to compel India to accept the pernicious modilities of the World Bank loan. India is being compelled. Therefore, a psychology of nervousness is deliberately generated by this Government.

Madam, to me this is an act of bankruptcy, this is an act of nervousness and this is an act without any sense of prudence.

Therefore, not only do I protest against it, but also I demand a White Paper from the Government so as to understand what the actual situation is. Thank you, Madam.

SHRI MOHAMMED AFZAL alias MEEM AFZAL (Uttar Pradesh): I associate myself with this. (*Interruptions*).

THE DEPUTY CHAIRMAN: First let me announce. It is 1.29. We adjourn at 1.30 for lunch. Two or three names are still there. (*Interruptions*)

You start reacting without letting me complete the sentence. I say I take the House into confidence for dispensing with the Lunch Hour, not with lunch!

SOME HON. MEMBERS: Agreed. But the Minister should agree.

THE DEPUTY CHAIRMAN: That is not a conditionality. (*Interruptions*) Shri Pramod Mahajan.

श्री प्रमोद महाजन (महाराष्ट्र) : उपसभापति महोदया, मैं कोई अर्थशास्त्री नहीं हूं लेकिन सामान्य व्यक्ति के जीवन में यह माना जाता है कि सोना तो तभी बेचा जाता है जब बेचने के लिए कुछ बाकी नहीं रहता और जिस प्रकार हिन्दुस्तान की सरकार अपना सोना बेच रही है या गिरवी रख रही है, उससे एक साधारण व्यक्ति के मन में अगर उसी संकल्पना का प्रादुर्भाव हो कि अब इस सरकार के पास कुछ नहीं बचा है तो आश्चर्य नहीं होगा। चुनाव प्रचार के दूसरे चरण में जब पिछली सरकार ने 20 टन सोना बाहर भेजा था तो कांग्रेस की ओर से महाराष्ट्र में विज्ञापन छपा था, जिसका शीर्षक था "अब तो हद हो गई, ये लोग सोना भी बेचने लगे"। जब विज्ञापन वालों की सरकार आई तो उन्होंने पहले 35 टन सोना बाहर भेजा और कल सदन में वित्त मंत्री जी ने कहा कि दोनों सरकारों का सोना बेचना उचित था और इतना ही नहीं, इस सोने का फिर वापिस लाने की स्थिति में आना लगभग असंभव है। आश्चर्य और दुख इस बात का है कि जब वित्त मंत्री सोने के संबंध में इस सदन में कल निवेदन कर रहे थे, लगभग उसी समय मुंबई में 12 टन सोना रिजर्व बैंक से निकालकर बाहर भेजा जा रहा था .... (**व्यवधान**).... अहलुवालिया जी कह रहे हैं 14 टन। ... (**व्यवधान**)

श्री सुरेन्द्रजीत सिंह अहलुवालिया : किसी ने लिखा 12, किसी ने लिखा 14 सच्चाई जो है सामने आ रही है।

THE DEPUTY CHAIRMAN: Don't argue. You dispensed with the lunch hour. You don't argue on figures. Quarrel on facts.

डा० रत्नाकर पाण्डेय (उत्तर प्रदेश) : मैडम, मोरारजी देसाई के समय सोना 300 रुपए तोला से 2200 रुपए तोला हो गया था, तब नहीं बोले, आज बोल रहे हैं।

श्री प्रमोद महाजन : उपसभापति महोदया, मैं यह कह रहा था कि इन दोनों घटनाओं को अगर इकट्ठा देखा जाए तो लगता यह है कि देश की वर्तमान आर्थिक स्थिति के संबंध में देश के

सामने पूरी सच्चाई नहीं रखी जा रही है। असत्य बोला जा रहा है, किसी चीज को छिपाने की कोशिश की जा रही है। सोना 12 टन था, 14 था, 16 था, हम तो समाचार-पत्र के आधार पर बोलते हैं, लेकिन अगर मान लीजिए कि सोना गिरवी रखना ही था तो रिजर्व बैंक को अपने नियम के अनुसार 15 प्रतिशत सोना बाहर रखने का अधिकार है, लेकिन यह अधिकार अत्यंत आवश्यकता में ही उपयोग में लाया जाना चाहिए। अब लगता यह है कि सोना कितना और कहां जा रहा है . . . (**समय की घंटी**) . . . यह समाचार-पत्र को तो पता चल सकता है लेकिन सदन को पता नहीं चल सकता। इसलिए मुझे लगता है कि इस प्रकार टुकड़ों में सोना भेजने के कारण देश में और विदेश में हिन्दुस्तान की आर्थिक स्थिति के संबंध में एक भय का वायु-मंडल बन रहा है। बाहर और अंदर लोगों को यह पता नहीं चल रहा है कि यह देश ठीक स्थिति में है और इसलिये मैं इस विशेष उल्लेख के माध्यम से गुरुदास दास गुप्त जी से अपने आपको सहमत करते हुये सरकार से यह मांग करता हूं कि आज की आर्थिक स्थिति के संबंध में और विशेषकर जिस प्रकार सोना भेजे जाने की स्थिति बन रही है उसके संबंध में सदन को और देश को विश्वास में ले। श्वेत-पत्र जारी करने की जो मांग बराबर हमारी ओर से हो रही है उसे स्वीकार करे ताकि एक ही बार इकट्ठा हो देश की आर्थिक स्थिति से बाहर निकलने का रास्ता हम सब मिलकर ढूंढ सकें।

अन्त में, मैं केवल इतना कहना चाहता हूं कि वर्तमान सरकार एक अल्पमत की सरकार है और अगर अल्पमत की सरकार को बड़े गम्भीर निर्णय लेने हों और वह विरोधी दल को अगर विश्वास में न लेते हुये अपने आप इस प्रकार के निर्णय लेती जाये तो यह अल्पमत की सरकार जल्दी ही संकट में आ सकती है। वर्तमान आर्थिक स्थिति से बाहर निकलने के लिये हर देशभक्त विरोधी दल उनको सहायता करना चाहती है।

[उपसभाध्यक्ष (श्री म. ए. बेबी) आसीन हुये]

लेकिन अगर इस प्रकार निर्णय करें तो इससे काफी कठिनाईयां पैदा हो जायेंगी। वित्त मंत्री जी यहां हैं इसलिये मैं उनसे मांग करता हूं कि वे इस संबंध में अपना दृष्टिकोण हमारे सामने रखें।

SHRI SUKOMAL SEN (West Bengal): Sir, day before yesterday, on 16th of this month, during the Question Hour this issue was raised and Members of the House from both the sides expressed deep apprehension about the sale and mortgaging of gold. At that time, Mr. Manmohan Singh, the Finance Minister was present. He gave a detailed reply. And he was justifying his action. And he said, *inter alia*, "these are the measures of last resort; we are not very proud of it." Sir, this was said on the 16th of this month. And the newspaper report says that on the 17th itself, another instalment of gold was sent. I do not know whether it was 10 tonnes or 12 tonnes. Perhaps, under the system, they can send 15 per cent of the reserve gold outside the country. 35 tonnes have already been sent. And perhaps they may send another 13 tonnes. I do not know what the position is. But this is the newspaper report. My point is, my charge against the Government is that on 16th, the matter was elaborately discussed in the House and the Finance Minister replied to it and at that time the Finance Minister did not give any indication of the matter that another instalment of gold is going to be pledged with the Bank of England or anywhere else. I feel that this is a question of privilege of the House. My hon. colleague said that it is a clandestine manner. I would say that it is not only a clandestine manner, but the Government is resorting to some trickery and unfair means to tackle the economic situation. What is the balance of payments position? We do not know. The Finance Minister has never informed the House. He has never taken the

[Shri Sukomal Sen]

country into confidence as to what is the present position with regard to the foreign exchange reserves. The newspaper reports say that today we have got Rs. 2,000 crores as foreign exchange reserve. Some newspapers say that we have crossed the Rs. 2,000 crores figure and we are having a foreign exchange reserve of Rs. 3,000 crores. What is the present position? The Government should say. We are depending on the newspaper reports. This is how the Government is functioning. My charge against the Government is that the Government is deliberately creating a panic situation in the country. This is nothing but an attempt to create a panic situation in the country with some malafide intention in regard to the economic matters. What is the malafide intention? We suspect that in order to follow all the dictates of the International Monetary Fund of the western countries, they are creating a psychological impact in the country that we have nothing, we have gone beggar, and so we have to sell our gold and we have to tax heavily, and have to privatise all commerce and industry and we have to decontrol and delicense. They are creating this psychological atmosphere. They are creating a panic situation and they are resorting to this clandestine and unfair means.

Sir, I would like to conclude by saying that this is most unjust on the part of the Government. My friend has said that it is a minority Government. We do not want that this Government should immediately collapse because the prevailing situation does not warrant it. But, Sir, this policy of the Government is going directly against the interest of the country. If it goes directly against the interest of the country in this manner, if the Government wants to function in this manner, I would like to warn this Government that this Government should not think that our position in maintaining the Government in power is something guaranteed. That idea should go from the Government's mind. Because we are here to protect their interest, not the interest of some officials or some Ministers in the Government. So, Sir, I would like to make it very clear that the Government should come out with full facts about the foreign exchange crisis and about the latest balance of payments position. All these things should come out in the form of a White Paper so that the country knows what is what. The Government should take into confidence this House and the country; otherwise, Sir, I would like to warn this Government again that we are not going to take it lying down. We will fight it inside Parliament and outside because the Government of India is mortgaging the interests of the country. The Government is actually selling the interests of the country. Sir, I would like to remind you when the Chandra Shekhar Government was in power, the then Finance Minister Shri Yashwant Singha sold or mortgaged some gold to the foreign countries. The spokesman of this ruling party said that it was a sell-out. Now, the same sell-out policy is being followed by this Government. So, I caution the Government to take necessary steps; otherwise they will face consequences.

THE VICE-CHAIRMAN (SHRI M. A. BABY): Considering the seriousness of the matter, since the Minister is here, he may react to the points raised by hon. Members.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): We could have given complete detailed answers which I am hopeful the Finance Minister will give. But one or two aspects I would like to clarify. It is absolutely wrong that the Government has gone bankrupt as Mr. Gurudas Das Gupta has said. It is absolutely wrong that we have

kept people in the dark. It is absolutely wrong that we have done something against . . . (*Interruptions*). Please try to hear me. I am only intervening not giving full reply. This will be given to you because you have asked for details. I am not prepared with the complete details here. I would like to clarify two—three points as desired by the Chair. First thing is that, whatever has been done in regard to first and the second shipment of gold in different instatments has been done as per the decision taken by the previous Government. It is a fact as Dr. Manmohan Singh has said that these were done in circumstances where it was considered necessary in the interest of the country that our balance of paymements position was critical and in order to safequard that the decisions already taken by the earlier Government were faithfully implemented. There is nothing wrong. Nothing has been done out of the way. If you say that the country has gone bankrupt, who is responsible for this? During the last 18 months, if we see the balance of payments position, if we see the gold position, if we see the reserves that India had they had all deteriorated gradually. That is why the previous Government had actually initiated some action since the month of January this year and then ultimately this Government had to implement them to safeguard the interests of the country. Nothing has been done which is against the interests of the country. The second instalment where the gold has been sent to the Bank of London, that is not a sale it is only by way of security. We have the right under Section 33 of the Reserve Bank of India Act where we can keep 15 per cent of the gold in the Bank. That is the practice which is followed by almost all the countries. And when they have kept it in the bank, they can take timely loan for a period of one month. That is what has been done and there is nothing abnormal about it. All the countries are doing it. We have done it just to meet our obligations of foreign debt and urgent payments which was in the interest of the nation. And we have done it. There is nothing wrong about it. Such wrong message should not go out. If we are discussing such serious matters of economy, we should see to the interest of the country and from this august House we should not convey some wrong message to the nation or to the world that we have gone bankrupt. I am sorry this statement is absolutely wrong and it seems the facts are not known to the hon. Members. I will certainly urge the Finance Minister and he will give further statement and a complete picture if the Members so want.

श्री प्रमोद महाजन : अभी कुछ भेजना बाकी है क्या ?

SHRI V. NARAYANASAMY (Pondicherry): V. P Singh Government was responsible for it, and you are a partner to it.

श्री प्रमोद महाजन : मैं सन् 1952 से हिसाब लगाने के लिए तैयार हूं किसने लिया.... (**व्यवधान**)

THE VICE-CHAIRMAN (SHRI M. A. BABY): Now Mr. S. S. Ahluwalia.

SHRI RAJ MOHAN GANDHI (Uttar Pradesh): Is the news about the latest shipment correct or not? Will the Minister inform us?

THE VICE-CHAIRMAN (SHRI M. A. BABY): Shri Ahluwalia.

Withdrawal of Central Forces from Bihar.

श्री सुरेन्द्रजीत सिंह अहलूवालिया (बिहार) : उपसभाध्यक्ष महोदय, मैं आप के माध्यम से केन्द्रीय सरकार का ध्यान आकर्षित करना चाहता हूं कि बिहार राज्य से केन्द्रीय सरकार के अंतर्गत आने वाले जितने बल हैं उनको वहां से खिदड़ा किया जा रहा है और दूसरे-दूसरे राज्यों में और खासकर तमिलनाडु में भेजा जा रहा है। श्रीमन वैसे ही बिहार राज्य में पुलिस बल की संख्या बहुत कम है और बी.जे.पी. के श्रीराम के आन्दोलन से कम्यूनलिज्म की भावना जो जाग रही